GOVERNMENT OF INDIA
FOOD PROCESSING INDUSTRIES
LOK SABHA

UNSTARRED QUESTION NO:2086
ANSWERED ON:27.03.2012
INVESTMENT IN FPI
Shetkar Shri Suresh Kumar

Will the Minister of FOOD PROCESSING INDUSTRIES be pleased to state:

(a) whether the Government has taken note of the opportunity for huge investments in the food processing sector owing to the increased food production in the country;

(b) if so, whether the Government has assessed the availability of food processing facilities; and

(c) if so, the details thereof alongwith the steps taken by the Government in this regard?

Answer

THE MINISTER OF STATE FOR FOOD PROCESSING INDUSTRIES (DR. CHARAN DAS MAHANT)

(a): Yes, Madam.

(b) and (c): The Vision Document was prepared in the year 2005 and the same was adopted by the Government. Vision Document suggested strategy to ensure faster growth of the sector. The adopted Vision 2015 provides for enhancing the level of processing of perishable from 6% to 20%, enhancing value addition from 20% to 35% and increasing India's share in global food trade from 1.5% to 3% by the year 2015. To achieve these targets, investment of Rs. 100 thousand crores was estimated by year 2015, out of which Rs. 10,000 crores was to come from Government. Accordingly, Ministry formulated its 11th plan schemes to attract the required investment in the sector.

For the Development of the food processing sector, the Government has taken various initiatives and has approved a scheme for Mega Food Parks, Cold Chain, Value Added Centres and Modernization of Abattoirs. The Infrastructure scheme envisages a well-defined agri/horticultural-processing zone containing state of the art processing facilities with infrastructure support and well established supply chain.

Government has formulated and is implementing several Plan Schemes to provide financial assistance for the establishment and modernization of Food processing units, creation of infrastructure, support of R&D, Food Testing Labs, Implementation of Quality Systems such as Hazard Analysis Critical Control Points (HACCP), Human Resource Development besides other promotional measures to encourage development of food processing industries. Moreover, the Government has taken several steps like tax reduction, waiver/reduction of excise duty, reduction of custom duty on specific food items with a view to encourage the growth of Food Processing Industries and make them more competitive in global market.